
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **November 8, 2018**

OSIRIS THERAPEUTICS, INC.

(Exact Name of Registrant as Specified in Charter)

Maryland
(State or other jurisdiction of
incorporation)

001-32966
(Commission
File Number)

71-0881115
(IRS Employer
Identification No.)

7015 Albert Einstein Drive, Columbia, Maryland
(Address of principal executive offices)

21046
(Zip Code)

Registrant's telephone number, including area code: **(443) 545 - 1800**

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the Registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01. Other Information

Update on Shareholder Derivative Actions

On October 24, 2018, Osiris Therapeutics, Inc. (the “Company”) entered into a settlement agreement (the “Stipulation of Settlement”) with certain other settling parties of certain shareholder derivative actions, as previously disclosed in its Form 10-Q for the quarterly period ended September 30, 2018. The Stipulation of Settlement calls for the Company to adopt certain governance changes. On November 1, 2018, the United States District Court for the District of Maryland entered an Order Preliminarily Approving Settlement and Providing Notice in *Salley v. Osiris Therapeutics, Inc, et al.*, Case No. 17-cv-0377. A final settlement hearing is currently scheduled for February 1, 2019, at 2:00 p.m., at the United States District Court for the District of Maryland, Baltimore, Maryland.

Pursuant to the Stipulation of Settlement and Preliminary Approval Order, the “Summary Notice of Pendency and Proposed Settlement of Shareholder Derivative Actions” is attached to this Current Report as as Exhibit 99.1 and is incorporated herein by reference. The full Stipulation of Settlement and related exhibits are available on Osiris’ Investor page under the “Corporate Governance” heading of its website (at <http://www.osiris.com>). The contents of the Company’s corporate website shall not be deemed to be incorporated by reference into this Current Report on Form 8-K.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Summary Notice of Pendency and Proposed Settlement of Shareholder Derivative Actions

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

OSIRIS THERAPEUTICS, INC.

By: /s/ JASON KEEFER
Jason Keefer
Interim President and Chief Executive Officer

Date: November 8, 2018

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
(Baltimore Division)

TODD SALLEY	*	
<i>Plaintiff, derivatively on behalf of</i>	*	
OSIRIS THERAPEUTICS, INC.,	*	Civil Action No. 17-cv-03777
<i>Nominal Defendant</i>	*	
v.	*	
LODE DEBRANDERE, et al.,	*	
<i>Defendants</i>	*	
	*	

* * * * *

**SUMMARY NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF SHAREHOLDER
DERIVATIVE ACTIONS**

**TO: ALL RECORD OR BENEFICIAL OWNERS OF
OSIRIS THERAPEUTICS, INC. SECURITIES AS OF OCTOBER 24, 2018:**

YOU ARE HEREBY NOTIFIED, pursuant to an Order of the United States District Court for the District of Maryland, that a hearing will be held on February 1, 2019, at 2:00 p.m., before the Honorable Ellen L. Hollander, at the Edward A. Garmatz United States Courthouse, 101 W. Lombard Street, Baltimore, MD 21201 (or at such a date and time as the Court may direct without further notice) for the purpose of determining: (i) whether the terms of a proposed settlement of the above-captioned action, and the related derivative actions pending (1) before the United States District Court for the District of Maryland, captioned *Recupero v. Friedle, et al.*, Case No. 17-cv-00381 (D. Md. 2017); (2) in the Circuit Court for Howard County, Maryland captioned *Connelly v. Debrabandere, et al.*, Case No. 13-C-16106815 (Cir. Ct. Md. 2016); and (3) the Kort Demand (collectively, the "Derivative Actions"), in accordance with the Stipulation of Settlement entered into by the Settling Parties, dated



October 24, 2018 (the “Stipulation”) are fair, reasonable, and adequate, and in the best interests of Osiris; (ii) whether the Notice of Pendency and Proposed Settlement of Shareholder Derivative Actions (“Notice”) fully satisfied the requirements of Rule 23.1 of the Federal Rules of Civil Procedure and due process; (iii) whether the Final Order and Judgment should be entered dismissing the above-captioned matter with prejudice, releasing the Released Persons from the Released Claims, and permanently barring and enjoining the institution and prosecution by Derivative Plaintiffs, and their counsel, and all other persons any action asserting any Released Claim against any of the Released Persons; (iv) whether the amount of attorneys’ fees and expenses to be awarded to Derivative Plaintiffs’ Counsel is fair and reasonable; (v) whether the Service Awards to Derivative Plaintiffs should be approved, and (vi) any other matters that come before the Court.

The Derivative Actions allege that certain current and former directors and certain former executive officers of Osiris breached their fiduciary duties through a lack of oversight, engaged in gross mismanagement of the Company, and were unjustly enriched as a result of failing to disclose that Osiris had filed misleading statements with the United States Securities and Exchange Commission (“SEC”), including registration statements, prospectuses, and statements of additional information dating from as early as May 12, 2014, as well as in annual, semi-annual, and quarterly reports, written press releases, letters, and other written communications, and also in oral communications, including communications by the individual defendants to investors on conference calls and in statements to analysts.

The Settlement consists of the adoption by Osiris of certain corporate governance reforms. **The Derivative Actions are not “class actions” and no individual shareholder has the right to receive any direct recovery from the Settlement.** The Settlement, if approved by the Court, will

fully and finally resolve the issues raised in the Derivative Actions. Upon entry of the Final Order and Judgment, all of Plaintiff Salley's Released Claims against the Derivative Defendants shall be dismissed with prejudice and the Released Persons shall be released from the Released Claims. Further, within ten (10) business days of the Court entering the Final Order and Judgment, counsel for Plaintiffs Recupero and Connelly shall request that the courts in which their respective lawsuits are pending dismiss the actions with prejudice.

If you have not already reviewed the full Notice and the Stipulation (along with its exhibits), those documents are available on Osiris' website at <http://www.osiris.com> at the Investors page, and you are encouraged to review them. This Summary Notice should be read in conjunction with, and is qualified by reference to, the full Notice and the Stipulation.

If you are a record or beneficial holder of Osiris securities as of October 24, 2018, your rights will be affected by this Settlement, including the release and extinguishment of claims you may possess relating to your ownership interest in Osiris securities. Any Current Osiris Shareholder may appear at the Settlement Hearing and show cause, if he, she, or it has any reason why the Settlement of the Derivative Actions embodied in the Stipulation should not be approved as fair, reasonable, and adequate, or why the Final Order and Judgment should or should not be entered, or why the Fee and Expense Award or Service Awards should not be awarded (an "Objection").

To object, the shareholder must: (a) file a written Objection, stating the case name and number, *Salley v. Osiris Therapeutics, et al.*, Case No. 17-cv-03777, and stating all reasons for the Objection; (b) give proof of current ownership of Osiris stock as well as documentary evidence of when such stock ownership was acquired; (c) clearly identify any and all evidence that would be presented at the Settlement Hearing in connection with such Objections; and (d) identify any case, by name, court, and docket number, in which the objector or his, her, or its attorney, if any, has objected to a settlement in the last three years. Any written Objections shall be filed with Clerk of the Court at least fourteen (14)

calendar days prior to the Settlement Hearing, as well as with counsel for Plaintiff Salley and Osiris, at the below addresses:

PLAINTIFF SALLEY'S COUNSEL	COURT	OSIRIS' COUNSEL
Melissa Fortunato Bragar Eigel & Squire, P.C. 885 Third Ave. New York, NY 10022	Edward A. Garmatz United States Courthouse, 101 W. Lombard Street, Baltimore, MD 21201	Scott Haiber Hogan Lovells US LLP 100 International Drive, Suite 2000 Baltimore, MD 21202

Unless the Court otherwise directs, any Current Osiris Shareholder who does not make his, her, or its Objection in the manner provided in the preceding paragraph of this Notice shall be deemed to have waived such Objection, shall be bound by the Final Order and Judgment, and shall forever be foreclosed from: (a) making any objections to the fairness, adequacy, or reasonableness of the Settlement; or (b) making any objections to the fairness and reasonableness of the Fee and Expense Award or Service Awards.

**PLEASE DO NOT CONTACT THE COURT OR ANY REPRESENTATIVE OF OSIRIS
OFFICE REGARDING THIS NOTICE.**
